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EXTRAORDINARY

PART II—Section 1

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MINISTRY OF LAW

*New Delhi, the 8th June 1957*

The following Acts of Parliament received the assent of the President on the 6th June, 1957, and are hereby published for general information:—

## THE LIFE INSURANCE CORPORATION (AMENDMENT) ACT, 1957

No. 17 OF 1957

[6th June, 1957]

An Act to amend the Life Insurance Corporation Act, 1956.

BE it enacted by Parliament in the Eighth Year of the Republic of India as follows:—

1. This Act may be called the Life Insurance Corporation (Amendment) Act, 1957.

Short title.

31 of 1956.

2. In section 11 of the Life Insurance Corporation Act, 1956 (hereinafter referred to as the principal Act), for sub-section (2), the following sub-section shall be substituted, namely:—

Amendment of section 11.

“(2) Where the Central Government is satisfied that for the purpose of securing uniformity in the scales of remuneration and the other terms and conditions of service applicable to employees of insurers whose controlled business has been transferred to, and vested in, the Corporation, it is necessary so to do, or that, in the interests of the Corporation and its policy-holders, a reduction in the remuneration payable, or a revision of the other terms and conditions of service applicable, to employees or any class of them is called for, the Central Government may, notwithstanding anything contained in sub-

section (1), or in the Industrial Disputes Act, 1947, or in any other law for the time being in force, or in any award, settlement or agreement for the time being in force, alter (whether by way of reduction or otherwise) the remuneration and the other terms and conditions of service to such extent and in such manner as it thinks fit; and if the alteration is not acceptable to any employee, the Corporation may terminate his employment by giving him compensation equivalent to three months' remuneration unless the contract of service with such employee provides for a shorter notice of termination.

*Explanation.*—The compensation payable to an employee under this sub-section shall be in addition to, and shall not affect, any pension, gratuity, provident fund money or any other benefit to which the employee may be entitled under his contract of service.”

Amendment  
of section 43.

3. In section 43 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

“(2A) Section 42 of the Insurance Act shall have effect in relation to the issue to any individual of a licence to act as an agent for the purpose of soliciting or procuring life insurance business for the Corporation as if the reference to an officer authorised by the Controller in this behalf in sub-section (1) thereof included a reference to an officer of the Corporation authorised by the Controller in this behalf.”

Substitution  
of new  
section for  
section 45.

Special  
provisions  
regarding  
transfer of  
controlled  
business of  
certain  
composite  
insurers.

4. For section 45 of the principal Act, the following section shall be substituted, namely:—

“45. Notwithstanding anything contained in clause (c) of section 44, the Central Government may, by notification in the Official Gazette, direct that on and with effect from such date as may be specified in the notification the assets and liabilities appertaining to the controlled business of a composite insurer in respect of the management of whose affairs an Administrator has been appointed under section 52A of the Insurance Act shall be transferred to and vested in the Corporation, and on the issue of such a notification the provisions of this Act shall, so far as may be, apply in relation to such insurer and to the transfer and vesting of the assets and liabilities of his controlled business in the Corporation as they apply in relation to all other insurers and to the transfer and vesting of the assets and liabilities of their controlled business in the Corporation, subject to the modification that references in this Act to the appointed day shall be construed as references to the day specified in the notification.”

5. In section 49 of the principal Act, after clause (b) of sub-section (2), the following clause shall be, and shall be deemed always to have been, inserted, namely:—

Amendment of section 49.

“(bb) the terms and conditions of service of persons who have become employees of the Corporation under sub-section (1) of section 11;”.

6. Any order altering the remuneration and the other terms and conditions of service of the employees referred to in sub-section (2) of section 11 of the principal Act made or purporting to have been made under that sub-section before the commencement of this Act by the Central Government for any of the purposes specified in that sub-section as amended by this Act, shall, notwithstanding anything contained in any judgment, decree or order of any court, be deemed to have been made under that sub-section as amended by this Act as if this Act were in force on the date on and from which the order was intended to take effect, and the order shall continue in force and have effect accordingly, unless and until superseded by anything done or action taken under the principal Act.

Validation of orders passed before commencement of Act altering remuneration, etc.

7. The Life Insurance Corporation (Amendment) Ordinance, Repeal. 3 of 1957. 1957, is hereby repealed.

## THE INDUSTRIAL DISPUTES (AMENDMENT) ACT, 1957

No. 18 of 1957

[6th June, 1957]

An Act further to amend the Industrial Disputes Act, 1947.

BE it enacted by Parliament in the Eighth Year of the Republic of India as follows:—

1. (1) This Act may be called the Industrial Disputes (Amendment) Act, 1957.

Short title and commencement.

(2) Section 2 shall be deemed to have come into force on the 10th day of March, 1957, and section 3 on the 28th day of November, 1956.

14 of 1947. 2. In section 2 of the Industrial Disputes Act, 1947, (hereinafter referred to as the principal Act), for clause (r), the following clause shall be substituted, namely:—

Amendment of section 2.

“(r) ‘Tribunal’ means an Industrial Tribunal constituted under section 7A and includes an Industrial Tribunal constituted before the 10th day of March, 1957, under this Act;”.

Substitution  
of new sec-  
tion, for sec-  
tion 25 FF.  
Compensa-  
tion to work-  
men in case  
of transfer  
of under-  
takings.

3. For section 25FFF of the principal Act, the following sections shall be substituted, namely:—

“25FF. Where the ownership or management of an undertaking is transferred, whether by agreement or by operation of law, from the employer in relation to that undertaking to a new employer, every workman who has been in continuous service for not less than one year in that undertaking immediately before such transfer shall be entitled to notice and compensation in accordance with the provisions of section 25F, as if the workman had been retrenched.

Provided that nothing in this section shall apply to a workman in any case where there has been a change of employers by reason of the transfer, if—

(a) the service of the workman has not been interrupted by such transfer;

(b) the terms and conditions of service applicable to the workman after such transfer are not in any way less favourable to the workman than those applicable to him immediately before the transfer; and

(c) the new employer is, under the terms of such transfer or otherwise, legally liable to pay to the workman, in the event of his retrenchment, compensation on the basis that his service has been continuous and has not been interrupted by the transfer.

Compensa-  
tion to work-  
men in case  
of closing  
down of  
under-  
takings.

25FFF. (1) Where an undertaking is closed down for any reason whatsoever, every workman who has been in continuous service for not less than one year in that undertaking immediately before such closure shall, subject to the provisions of subsection (2), be entitled to notice and compensation in accordance with the provisions of section 25F, as if the workman had been retrenched:

Provided that where the undertaking is closed down on account of unavoidable circumstances beyond the control of the employer, the compensation to be paid to the workman under clause (b) of section 25F shall not exceed his average pay for three months.

*Explanation.*—An undertaking which is closed down by reason merely of financial difficulties (including financial losses) or accumulation of undisposed of stocks shall not be deemed to

have been closed down on account of unavoidable circumstances beyond the control of the employer within the meaning of the proviso to this sub-section.

(2) Where any undertaking set-up for the construction of buildings, bridges, roads, canals, dams or other construction work is closed down on account of the completion of the work within two years from the date on which the undertaking had been set-up, no workman employed therein shall be entitled to any compensation under clause (b) of section 25F, but if the construction work is not so completed within two years, he shall be entitled to notice and compensation under that section for every completed year of service or any part thereof in excess of six months."

4 of 1957.

4. The Industrial Disputes (Amendment) Ordinance, 1957 is Repealed hereby repealed.

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K. V. K. SUNDARAM,  
*Secy. to the Govt. of India.*

